

April 18, 2019

To Whom It May Concern:

Re: HCDB Response to Issues Raised by the Stop HMOM Coalition

In an email dated April 4, 2019, the Coalition raised five concerns. Following is HCDB's response organized under the Coalition's headings.

**Zoning Variance**

Contrary to the Coalition's assertion, the HMOM project actually advances the City and County of Honolulu General Plan and the Waianae Sustainable Communities Plan (WSCP). The General Plan, in Chapter IV, Objectives A and C, Policy 1 seeks to provide decent housing, a choice of living environments and a variety of homes at different prices (affordable rents) for residents of Oahu.

In a letter dated September 15, 2016 to Hawaiian Community Development Board, the City and County of Honolulu Department of Planning and Permitting (DPP) determined the project is consistent with the WSCP that supports residential infill. The reason the WSCP supports residential infill development strategies over those that develop undeveloped lands is to maintain the rural character of Waianae. The existing site already has 10 houses on it and within a residential community. The development will retain six of the houses, and replace five with the two-story multi-unit buildings. It is not taking or using agricultural land.

DPP determined the project is consistent with the WSCP's vision for Waianae and the residential land use policy, which supports "small two-story apartment buildings and various low density community support facilities." Section 3.15 of the WSCP supports development of transitional shelters and affordable housing projects in Waianae due to the availability of vacant land that is already designated and zoned for such uses. Section 3.82 supports the project because it will use existing land within the Rural Community Growth Boundary.

The Coalition also asserts the variance allowing the project is somehow in contradiction to the Maili Watershed Management Plan Final Report (MWMP) at page 70, which makes references to the General Plan and the Waianae Sustainable Communities Plan, and calls attention to the prohibition on new developments makai of Farrington Highway and the need to preserve and restore stream corridors. The HMOM project is neither makai of Farrington Highway, nor directly adjacent to the Ma'ili'ili Stream. It is near the Ma'ili'ili Channel, which the MWMP distinguishes from the stream, and there is property owned by DHHL located between the project site and the channel.

### **Flood Zone and Sea Level Rise**

The Coalition's precise concern related to the fact that the project will be located in a flood zone is unclear. The area is already urbanized, and the neighboring properties will also be affected by being in the flood zone and any impacts of potential sea level rise. That said, even a one meter sea level rise is unlikely to affect the project due to the current elevation of the property, and the project incorporates landscaping features, pervious surfaces and raised buildings to address potential impacts from flooding due to sea level rise or other factors. In addition, underground basins will be constructed to address water discharge generated by the project. The project itself does not exacerbate the potential for flooding in the area because of specific design elements in the project that anticipate and mitigate the concern.

### **HMOM Planned Near Endangered Species**

Contrary to the Coalition's assertions, the project is not located next to the Ma'ili'ili Stream, which is distinguished from the concrete channel, and therefore not the subject of the MWMP note that a mating pair of the Hawaiian Stilt was observed in near the stream. Further, the U.S. Fish and Wildlife Service did not list the Hawaiian Stilt in its list of endangered species that *may* be impacted by the project during the environmental assessment, and Dr. Art Whistler concluded in his Biological Survey of the site, "Because the site is so disturbed, there is no suitable habitat for any native animal species, and no federally designated critical habitats are present at the site."

### **HMOM Plans Lacked Due Process / Transparency**

The Coalition asserts area residents were not "adequately informed" of the project and had no say in the development and planning process. HCDB complied with all requirements for public notice and presentation of the project to the Nanakuli-Maili Neighborhood Board at both the committee and full board level, which provided additional public notice about the project by referencing it on its meeting agendas. HCDB also presented the project plans to the Waianae Neighborhood Board, which vetted and also unanimously voted in support of the project. The process of conducting the environmental assessment provided opportunities for public comment, including the publication of the draft environmental assessment on the State Office of Environmental Quality Control's website. The DPP spent a year thoroughly vetting the 201-H application prior to adoption and approval by the Honolulu City Council, which included public notice and opportunities for public comment. Details about the project is also on HCDB's public website <http://hawndev.org>.

HCDB is improving an underutilized area encumbered with old dilapidated homes built in the 1930s with a well-planned affordable housing project for the people of Waianae. The one, two and three bedroom units within six two-story buildings are well designed, will be built of quality materials and have energy-efficient appliances. There is a resource center, park area, sufficient off-street parking, security fencing with cameras and an on-site resident manager who will live

on-site. Tenants are required to follow strict rules and regulations and are subject to evictions for serious violations. HCDB is using a seasoned and well-respected company that manages a large number of similar projects throughout the State of Hawaii.

### **Safety & Health Concerns**

A 52-unit garden style housing complex is hardly a “large scale project” that “will create a potentially catastrophic public health and safety issue for the County and State.” The traffic study conducted as part of the environmental assessment found no significant impact to the vehicular or foot traffic in the area as a result of the project. If there should be a tsunami warning, there should be adequate government notice and an opportunity for Maili residents to move to higher ground using Mailiili Road, which is adjacent to the project site. We will make access over our project so people can use Milikami Street to access Farrington Highway to make an immediate U-turn onto Mailiili Road. .

In another email dated April 10, 2019, the Coalition posed a series of questions. HCDB responds:

*Question: How did TMK 87001016000 get sold for \$100 to HCDB or Laulima Development?*

**Response:** HCDB is not sure how the Coalition came to their understanding of the sales price, but HCDB purchased the property for \$2.25 million, as is noted on the City and County of Honolulu Department of Budget and Fiscal Services Real Property Assessment Division’s website.

*Question: What evidence/affidavit do you have to show us that you notified all the TMKs bordering the property in accordance with the Department of Planning and Permitting, Zone Change Application Check List? Why were neighbors bordering this project not personally informed by USPS?*

**Response:** Neighbors bordering this project were not personally informed through the USPS of HCDB’s February 2017 presentation to the Nanakuli-Maili Neighborhood Board because HCDB was not required to do so.

On June 30, 2017, the City and County of Honolulu Department of Planning and Permitting published revised instructions and requirements for zone change applications that now include a requirement to “provide written notice of the presentation to all adjoining Property Owners.” These rules were not in effect when HCDB made its presentation before the board, and when it’s application was submitted in 2016, it followed DPP’s check list form for the 201H process, which was ultimately accepted and approved by DPP and the City Council

*Question: How is it that the Honolulu City Council could approve a plan that did not do its due diligence and was not fully vetted for studies where the safety of residents is of much concern? Ms. Pine please address this.*

**Response:** The environmental assessment process examined these key issues and the development plan addresses all anticipated safety considerations, particularly as it relates to the Coalition's assertions over potential sea level rise, where the science is still not certain in terms of projected impact, and the potential for tsunamis or flooding. The County Department of Planning & Permitting thoroughly vetted Hale Makana O Maili. The following is the key dates:

1. June 2016, HCDB begins Chapter 343 Environmental Assessment review process and 201H Application. Consultants were hired to conduct, 1) An Affordable Rental Demand Study, 2) Drainage Study, 3) Phase 1, 4) Archaeological Study, 5) Biological Survey, 6) Cultural Impact Assessment & 7) Transportation Assessment.
2. August 6, 2016, HCDB sends pre-consultation letters to various federal, state, and county agencies regarding Draft Environmental Assessment (Draft EA) of Hale Makana O Maili.
3. September 15, 2016, DPP responds to HCDB request comments for Draft EA.
4. February 7, 2017, HCDB presents project to Waianae Neighborhood Board, which unanimously approves the project.
5. February 13, 2017, DPP received Phase 1 of 201H Application & determined project was eligible.
6. February 10, 2017 HCDB submitted Draft EA to OEQC.
7. February 23, 2017, Draft EA published in The Environmental Notice. 30-Day Comment Period Begins.
8. February 28, 2017 HCDB presents project to the Planning & Zoning Committee for the Nanakuli-Maili Neighborhood Board, which approves and forwards the Project to the full Board.
9. March 21, 2017 HCDB presents project to Nanakuli-Maili Neighborhood Board and thereby satisfies 201H neighborhood board presentation requirement.
10. March 28, 2017, Draft EA 30-Day Comment Period Ends.
11. May 12, 2017 HHFDC transmits Final Environmental Assessment (Final EA) and Finding of No Significant Impact (FONSI) to OEQC.
12. June 8, 2017 OEQC posts Hale Makana O Maili in The Environmental Notice.
13. October 30, 2018, Honolulu City Council Adopts and Approves 201H application.

*Question: How did the Maili Watershed Management and Waianae Sustainability Plan play a role in developing HMOM?*

**Response:** During the environmental assessment process, these plans, along with others pertinent to the area, were considered. The City and County of Honolulu Planning and Permitting Department specifically provided a letter indicating that the proposed project was consistent with the General Plan and advances the Waianae Sustainability Plan objectives of protecting Waianae's rural character through in-fill developments in areas that are already urbanized, and by creating much-needed affordable housing opportunities for the area's residents.

*Question: What studies did you do for the ingress and egress of Kulaaupuni, Kaukamana, Kakalena, Milikami Streets for vehicular and pedestrian traffic? Where are these studies? Please show us.*

**Response:** A traffic study was included in the Environmental Assessment, which is publicly available through the website of the State of Hawaii Department of Health Office of Environmental Quality Control. <http://health.hawaii.gov/oegc/>

*Question: What kinds of infrastructure improvements will be made for the neighboring Milikami, Kakalena, Kulaaupuni and Kaukamana Streets especially where vehicular and pedestrian traffic is concerned?*

**Response:** Infrastructure improvements that are required are part of the plan. Additionally, the project will be fenced in with specific points of entry for both vehicular and pedestrian traffic. The project should have minimal impact on the vehicular and pedestrian traffic on Milikami Street, and may have some increase in pedestrian traffic on Kakalena Street as people access public transportation options along Farrington Hwy.

*Additional Statement: These are just a few of our concerns. Certainly the questions above are "tip of the iceberg". There are many concerns that are offshoots of the above questions and are too many to list.*

**Response:** There is a housing crisis in Hawaii, on Oahu and particularly on the Waianae Coast. For the last 18 years and presently, HCDB has committed itself to being part of the solution to this crisis, and is developing a project that not only advances the Waianae Sustainable Community Plan, but develops the project in a manner that provides residents with a quality project that enhances the area, but more importantly provides affordable housing for our people. We, as a nonprofit developer, have reason to be proud of what we do.

This project takes property that has, in part, been utilized as a site for illegal dumping of trash and has planned to turn it into a viable option for providing quality housing at affordable rates for the community. . Our experience at Hale Makana o Nanakuli, and other projects, demonstrate that we have a proven record of developing and managing these projects to

HCDB Response

April 19, 2019

Page 6 of 6

minimize any negative impacts to the surrounding community while meeting a direct and urgent need for the families in the community.

Mahalo for the opportunity to address these concerns in detail. We look forward to bringing affordable housing options to Maili through the development of Hale Makana o Maili.

Sincerely,

A handwritten signature in black ink that reads "Kali Watson". The signature is written in a cursive, flowing style.

Kali Watson